

**HOME
OF THE
FREE
BECAUSE
OF THE
BRAVE**

The Trails at Scottsdale

CCR Regulations for Signs

It seems that although all homeowners in The Trails received a copy of the CCR's, a lot of you have never read them. For instance, we have a regulation regarding **SIGNS** (political or otherwise) in the front yard. It is as follows:

"Section 5. Signs.—No sign of any kind shall be displayed to the public view of any lot, except one sign of not more than five (5) square feet, advertising the property for sale or rent, or as approved by the Association."

During this political season, please remember that it is against our regulations to post candidate signs or anything else other than a for sale sign.



Board members:

| | |
|-----------------------------------|--------------|
| Brenda Breit | 480-970-0079 |
| <i>President</i> | |
| Elizabeth Welch | 480-990-2868 |
| <i>Vice-President</i> | |
| Dennis DeGutes | 928-457-0829 |
| <i>Treasurer</i> | |
| Sandy DeGutes | 928-457-0829 |
| <i>Secretary</i> | |
| Bill Hooper | 480-267-5478 |
| <i>Projects/Improvement Chair</i> | |
| Bill Long | 480-254-9549 |
| <i>Landscape Chair</i> | |
| Colin Walsh | 480-720-9023 |
| <i>Public Relations Chair</i> | |
| Deborah Blacklock | 480-998-9612 |
| <i>Historian</i> | |
| Bob Thayer | 480-781-7940 |
| <i>Architectural Chair</i> | |

If you have any questions, please call the appropriate Board member listed above.

Good Bye Jim, Welcome Colin

Mr. Jim Nowatzki has resigned his position from the Board of Directors and moved out of the valley. Jim has been a Board member for over a decade and assisted in many different areas. His knowledge and background has been invaluable to us. We wish to thank Jim for his hard work and dedication to this community and wish the very best in his new home. We will miss him.

Mr. Colin Walsh has expressed his interest in becoming a member of the Board and the Board members approved his membership at the May 10th meeting. He will become the Public Relations Chair as Mr. Bill Long has moved into the Landscaping Chair, replacing Mr. Nowatzki.

Please be sure that your homeowner's contact information is up to date. If you have not completed one, you can download the form from the web page and send it to sandad59@yahoo.com. It's important that the Board have this information so we can provide help to first responders in cases of emergency. There was a home in the subdivision that burned on Memorial Day and we were able to assist fire and police with this information.



Emergency Numbers:

Police: 911 or 312-5000
Graffiti: 480-312-2546
Silent Witness: 602-261-8600
Code Enforcement: 480-312-2546

MLS Supply Up 113% Over Last Year; Median Days Prior to Contract Rising

For Buyers:

Market conditions continue to get better for buyers undeterred by rising mortgage rates. Over the last 10 weeks, there has been a surge of new listings in every price point over \$400K, pushing the supply level up 113% over this time last year. The surge in new listings is not happening under \$400K, however rising interest rates have caused demand in this price range to decline. As a result, supply is rising on the low-end due to buyers pulling back, not excessive new listings.

In a nutshell, when sellers have to compete, buyers win. What they win at this stage is their sanity and some normalcy in the home buying process. By normalcy, typical contract requirements such as appraisal and inspection contingencies remain in place. There may be multiple properties available that fit a buyer's needs, instead of only one with multiple offers already submitted. The median number of days prior to contract is now 11, up 4 days from last month, which provides more breathing room for scheduling showings.

For some buyers, this moment is bittersweet because it comes with higher mortgage rates. However, interest rates typically do not stay high, or low, forever. The Mortgage Bankers Association expects mortgage rates to decline to 4.4% by 2024. How does that play out for someone who buys a home today? Let's look.

Current rates at 5.2% place the estimated principal and interest payment for a \$425,000 loan at approximately \$2,335 per month. Fast forward to the future, the remaining mortgage balance after just 2 years of payments would be \$413,000. Hypothetically, if interest rates are 4.4% by this point, a refinance of the remaining balance would lower the payment to \$2,068, saving \$267 per month.

If a potential home buyer instead decides to wait 2 years for the interest rates to decline to 4.4% before purchasing, assuming home prices stay exactly the same, their PI payment on a \$425,000 loan would be \$2,128, only saving \$207.

The problem with waiting for the perfect time to purchase a home is that most people don't realize the timing is perfect at the time it's actually perfect. For this reason, planning to hold property long term is the best way to mitigate short term risk and take advantage of refinance opportunities as they come, continually building equity regardless of what the market is doing.

For Sellers:

As competing supply continues to rise sharply, certain sales measures are expected to start changing rapidly. One of the most dramatic measures is the percentage of closings over list price and the median dollar amount over asking price. April 2022 saw 58% of sales close over asking price with a median of \$20,000 over. So far, closings in June show 51% closing over asking price with a median of \$15,000 over. Even in weaker seller markets, excellent properties well priced receive multiple offers and sell over asking price. The difference is that they typically only make up about 15% of sales with a median of \$3,000 over. So the market isn't back to normal yet, but it's rapidly moving in that direction.

Price reductions are now up 258% in 10 weeks, but just over the past 5 weeks the days on market prior to contract has started to rise as well. Over the next 4 weeks, expect the number of closings over asking price to drop sharply along with the dollar amount and expect to be reintroduced to buyer contingencies, price negotiations, paying for home warranties and eventually closing cost assistance. These aspects will return to the marketplace before sale prices ultimately respond.

This isn't a buyer market, but for some it feels like it is compared to just 2-3 months ago.

By Alyssa Samuelson, Success Real Estate Group Alyssa@SouthScottsdaleHomes.com, 602-622-0488, Fellow Trails Neighbor

Next Meeting Date

- **Sept. 13, 2022, 7:00 p.m. The Board meets every second Tuesday of the month. The meetings will continue on Zoom. If you wish to attend via Zoom, please contact Bill Hooper and he will make the meeting available to you.**